



 **VDOT**

The logo for the Virginia Department of Transportation (VDOT). It features a stylized orange symbol on the left that resembles a road or a wave, followed by the letters "VDOT" in a bold, blue, sans-serif font.

Contracting Interstate Maintenance

Turnkey Asset Maintenance Service Contracts (TAMS)

Constance S. Sorrell
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CTB Presentation
February 15, 2007

Quinton Elliott
Asset Management Division
Administrator

Approve 4 Contracts to Outsource Interstate Maintenance

Legislative Mandate

Background Code of Virginia §33.1-49.1 requires that By JULY 1, 2009 all Interstate highway maintenance, with few exceptions, be contracted by the Commissioner and approved by the Commonwealth Transportation Board. (2006 Session)

Current Status

- 77% of all interstate expenditures go to the private sector.
- TAMS Contracts will be the main tools used to achieve 100%.
- 100% outsourcing will be complete before July 1, 2009 or sooner.

- All pavement and bridge repair and rehabilitation work is outsourced
- 250 miles of ordinary and rehabilitative Interstate System work outsourced under a single PPTA contract
- The PPTA contract ends July 1, 2007 and cannot be extended
- Strategies to meet statutory deadline:
 - Replace PPTA contract with multiple ordinary maintenance contracts based on industry best practices
 - Outsource remaining ordinary maintenance activities system-wide
 - Best Practice --Turnkey Asset Management Service (TAMS) primarily ordinary maintenance and incident response

TAMS Contracts

- Performance-Based Contracts
 - Performance standards include quality of work to be performed
 - Timeliness requirements
- “Routine” ordinary maintenance services (such as mowing, drainage, pothole patching), snow removal and incident response

Maintenance Repair and Rehabilitation Contracts

- Pavements and Bridges repair and/or rehabilitation
- Separate contracts awarded based on funds available to perform work

- Procurement process: a combined two-step competitive sealed bidding
 - STEP ONE: Evaluation of technical bids to determine vendors that meets Agency's needs based on mandatory requirements
 - STEP TWO: Select the lowest price of those technical proposals evaluated as acceptable
- VDOT cost estimating methodology
 - Agency's expenditures + overhead + inflation factors
- Performance monitoring
 - Annual review of Asset condition
 - Periodic review for Timeliness Compliance
- Contract Length
 - First two contracts - 3 Year term limit; two 3-year renewal options
 - All new contracts - 5 Year term limit; two 2-year renewal options.



Current TAMS Contracts

Project Information	Williamsburg TAMS I-64	Charlottesville TAMS I-64
Project Length	67 miles 306 lane miles	88 miles 352 lane miles
Contract Value	\$14,590,000 for 3-years	\$10,800,000 for 3-years*
Annual Cost/ lane mile	\$13,820/ lane mile	\$10,280/ lane mile Negotiated
Contract Start Date	August 1, 2005	October 1, 2006
Contract End Date	July 31, 2008 (two 3-year renewals)	September 30, 2009 (two 3-year renewals)
Contractor	ICA (Nashville, TN)	TME (Norfolk, VA)
# of Responses	3 Responses	4 Responses



New TAMS Contracts Advertised

Project Information	Bristol	Salem	Richmond North	Richmond South
Project Length	149 miles 629 lane miles	109 miles 437 lane miles	170 miles 885 lane miles	138miles 565 lane miles
Routes	I-81, I-77	I-81, I-581, Rte 220, Rte 460	I-64, I-95, I-295, I-195, Rte 76 Rte 150, Rte 288	I-85, I-95, I-295
Anticipated Contract Start Date	July 1, 2007 5-year term	July 1, 2007 5-year term	July 1, 2007 5-year term	July 1, 2007 5-year term
# of Responses	7 Responses	6 Responses	2 Responses	4 Responses
Lowest Bidder	TME -\$42,952,440 Protest received by two bidders. Both bidders technical proposals were unacceptable.	ICA - \$28,560,000* * Negotiated	VMS- \$54,995,040	VMS -\$30,675,040* *Negotiated

Award of these contracts contingent upon establishment of any necessary license agreements for use of VDOT facilities.

Future Actions

- Contracts for CTB Approval:
 - Fall Advertisement
Staunton
Hampton Roads
 - Fall Advertisement
NOVA/Fredericksburg
Williamsburg (if not renewed)
- An evaluation of the contracts will be conducted by the Virginia Transportation Research Council and reported to the CTB.

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